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Ms. Cynthia T. Brown
Director, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Re: Ex Parte No. 711 – Petition of The National Industrial Transportation League for
Rulemaking To Adopt Revised Competitive Switching Rules

Dear Ms. Brown:

On July 7, 2011, The National Industrial Transportation League (the "League") filed with the Surface Transportation Board (the "Board") a Petition asking the agency to initiate rulemaking to adopt revised rules on competitive switching. The Petition follows the Board's general consideration of competition issues in Ex Parte No. 705, *Competition in the Railroad Industry* ("Ex Parte No. 705"). In the Ex Parte No. 705 proceeding, the Board asked for new proposals and solutions to address competitive problems faced by shippers. The League's Petition responds to that request.

The Petition outlines the significant changes that have taken place in the railroad industry since the Interstate Commerce Commission adopted rules for reciprocal switching in 1985. The Petition also indicates that the agency has the power to change those rules. Most importantly, the Petition sets forth a detailed proposal for a new regime of competitive switching, under which competitive switching would be made available to shippers who are served by only a single, Class I rail carrier and who lack effective inter- or intramodal competition.

Cargill, which is headquartered in Wayzata, Minnesota, is an international provider of food, agricultural and risk management products and services. Founded in 1865 as a single grain elevator in the United States, today Cargill employs more than 131,000 people in 66 countries in the areas of crop and livestock, food, health and pharmaceutical, industrial, and financial and risk management.

Rail transportation is a critical part of Cargill's food and agriculture businesses and rail costs have a significant impact on our operations. Cargill ships commodities to or from over 200 rail-served facilities in the United States, of which, over 65 percent are captive to a single railroad. Cargill also owns or leases nearly 20,000 railcars to support its rail operations.

In any given year, Cargill may tender between 300,000 and 500,000 car loads to destinations throughout the United States. Cargill's largest volume moves are of whole grains to export facilities in the Pacific Northwest and on the Gulf Coast. However, much of Cargill's rail volume consists of single car movements to a single, closed destination.

Cargill strongly urges the Board to grant the League's Petition and to issue a Notice of Proposed Rulemaking on the proposal detailed by the League. Cargill believes that the League's proposal represents a fair and balanced effort to improve the state of competition in the rail transportation

industry, and would provide increased competition for captive shippers without adversely impacting carriers. Issuance of a Notice of Proposed Rulemaking on the League's proposal would permit the industry as a whole to comment on the proposal and to guide the Board in its effort to improve the state of competition in the rail industry.

Sincerely,

A handwritten signature in black ink, appearing to read 'Randy Brown', with a stylized, cursive script.

Randy Brown

Vice President – North America Region

Cargill Transportation & Logistics

Cargill, Inc.